

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-679

November 6, 1998

BANGOR HYDRO-ELECTRIC COMPANY
Request for Approval of Bill
Unbundling and Illustrative Bills

ORDER APPROVING
UNBUNDLED ELECTRICITY
SUPPLY RATES

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

On October 1, 1998, Bangor Hydro-Electric Company (BHE) filed proposed illustrative rates for electricity supply service in accordance with Chapter 309 of the Commission's rules. Rates for electricity supply service will appear separately on customers' bills beginning January, 1999 to illustrate future competitive market provision of this service. Section 3 of Chapter 309 delegates authority to the Commission's Director of Technical Analysis to approve electricity supply rates proposed by a utility, or to order rates for use on unbundled bills.

In its October 1 filing, BHE provided both a single rate that could be used for all customers, and a set of rates that varied by customer class based on relative voltage levels and load factors. Chapter 309 allows either approach. BHE later indicated its preference for the single rate for administrative ease and simplicity.

I have reviewed BHE's proposed rates and information the Company provided after its initial filing. BHE's proposed rates required one adjustment, which I have made and reflect in the rates set forth in this Order. The Company concurs with my adjustment. With this adjustment, BHE's proposed rates for electric supply service are reasonable for use in accordance with Chapter 309. BHE may use either a uniform rate of \$.03531 per kWh, or the set of rates shown below:

<u>Class</u>	<u>Rate (\$/kWh)</u>
Residential	.03850
General Service	.03573
Large Power	.03371
Competitive	.03183
Lighting	.03887

The electricity supply rate for a customer receiving service under a non-core, special tariff or under an individual contract shall either be \$.03531 per kWh or the supply rate from the set above for the class in which the customer would otherwise receive service.

Accordingly, it is

O R D E R E D

Bangor Hydro-Electric Company's illustrative electricity supply rates for unbundled bills in accordance with Chapter 309 as set forth in this Order are approved.

Dated at Augusta, Maine this 6th day of November, 1998.

BY ORDER OF THE
ACTING DIRECTOR OF TECHNICAL ANALYSIS

Faith Huntington